BRITISH COLUMBIA

BC STATS Infoline

Issue: 98-41 6 Pages
October 16, 1998

tel (250) 387-0327
fax (250) 387-0329

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highlights

a weekly digest of recently released British Columbia statistics

Education

- **Between 1992/93 and 1997/98 British Columbia universities had the largest increase in enrollment of all provinces**. Full-time students increased 16% to 53,000, while part-time students grew 8.8% to 22,300. BC (8.8%) and Alberta (3.9%) were the only provinces to record increased part-time enrollment. The other eight provinces showed double-digit declines. In response to funding pressures, Canadian universities appear to be concentrating resources on full-time students and reducing the number of part-time courses. *Source: Statistics Canada*

The Economy

- **New motor vehicle sales in British Columbia declined this August**. The number of vehicles sold in August reached 11,444, a decline of 8.3% from the previous August. With the exception of Ontario (4.6%), Nova Scotia (5.7%) and New Brunswick (3.8%), all provinces showed a decline in new motor vehicle sales. *Source: Statistics Canada*
- **New housing price index for Vancouver and Victoria declined 4.9% and 7.2% respectively since the previous August.** Of all metropolitan cities, this was the largest annual decrease in the price of new homes. Market conditions continue to be competitive in BC's metropolitan areas. Among the cities surveyed, Calgary (8.4%) and Edmonton (3.6%) had the largest annual increase from the previous August index. *Source: Statistics Canada*

Internet Service Providers

- **One quarter of Canada's internet providers are located in BC and the Territories**. By region, Ontario has 41%, Quebec (15%), Prairies (14%) and Atlantic Canada (5%). Of those service providers, 78% of the total revenue was received from access services, while only and 2% came from electronic commerce. Quebec (27%) and the Prairies (25%) had the strongest representation of e-commerce while, only 4% of BC internet providers offered this type of service. Additional fees for electronic commerce are charged by half of the service providers.

  Internet service providers reported that their biggest barriers to growth was the cost of dial-up phone lines (68%) and the cost of leased lines from upstream providers (61%). Delays in obtaining facilities from phone or cable companies (44%), competition (44%) and the regulatory environment (28%) also were reported to contribute to slower growth of this industry.

  Customer complaints regarding unsolicited e-mail, hacking or harassment were received by 65% of the service providers. Also, 31% of the respondents received complaints regarding obscenities, copyright infringement, libel or pornography. In response to complaints regarding illegal or offensive conduct—55% discontinued subscriptions, 49% adhered to a code of ethics, 43% practiced consumer education, 40% removed material from the server, and 36% provided filtering software. *Source: Industry Canada*

Report **Self Employment in British Columbia**

Did you know...?

In 1997, 42% of Canadians and 56% of British Columbians surveyed, indicated they used some form of alternative medical treatment. These included chiropractors, massage therapists, homeopaths, and acupuncturists.

Rural population

Between 1991 and 1996, the largest population growth (12.8%) for rural and small town areas was in British Columbia. Alberta (7.8%) and Ontario (4.7%) also showed gains. Rural and small town population losses were evident in Newfoundland (-5.1%) and Saskatchewan (-2.0%). Despite a growing population in rural areas and small towns in BC since 1976, the share has declined from 37% in 1976, to 16% in 1996.

Source: Statistics Canada

Beer

- **Canada is the world's second leading exporter of malt and malting barley (after European Union)**. Exports have more than doubled this decade, reaching two million tonnes per year. Predominantly Japan, Brazil and the US import most of Canada's malt barley. Domestic brewers and distillers process roughly 350 tonnes per year.

  Maltsters will pay premium prices for high quality grain. Growing conditions, in part, and plant varieties are major determinants to quality grain. The malting process involves soaking the barley kernel then hot air drying to arrest the growing process. During this process, the original kernels, composed mainly of starch, are converted to sugar. Colour, taste and type of beer are determined by the amount of heat and time applied to the malt kernel during the different malting steps.

  Source: Statistics Canada

Alternative Medicine

- **Canada has adopted the World Health Organization's view that medicinal plants play an important role in health care**. After new federal regulations were stalled and finally cancelled in 1997 regarding the governing of herbal products, a parliamentary review was called to examine the subject of natural health remedies and their effectiveness. At Guelph University experiments showed processed garlic mixed with fish oil lowered blood cholesterol levels. At Queen's university, garlic was found to reduce the effects of chemical poisoning in mice. The Tzu Chi Institute in Vancouver opened in 1996 to evaluate acupuncture, homeopathy and other treatments. The Alberta and Ontario governments have passed legislation that prohibits the medical profession from penalizing practitioners who use non-traditional therapies unless patients are put in danger.

  Source: Statistics Canada

The Nation

- **Canada's economy edged down 0.3% in July, this is the fourth consecutive month where the gross domestic product showed a decline**. The second quarter GDP (seasonally adjusted) decrease was 0.7% from March 1998. The manufacturing sector declined (-1.7%) in July as strikes by US auto workers led to a drop in the production of both motor vehicles (-10.6%) and parts (-15.3%). The mining sector fell 1.7% as the oil and gas industry responded to a drop in the price of oil that began near the end of 1997. Metal mine production offset the weakness in the oil and gas industry. Retail trade advanced 1.5% in July, rebounding from June's lackluster sales levels. Communications and utilities industries increased 0.5% in July, with gas distributors output contributing to the greatest gain in this sector.

  Source: Statistics Canada

Household Expenditure on Services

- **In 1996, Canadian households consumed $338.2 million in goods and services, up 16% from 1986**. While the purchase of household goods rose 6%, the consumption of services grew by 34%. For example, the average per-household expenditure (in constant 1996 dollars) on food purchased from restaurants has declined over a ten-year period. In 1996, households spent on average $1,513 relative to $1,685 in 1986. Some of this decline may be attributed to more grocery stores offering ready-to-eat foods which can be quickly heated in microwaves (in 1996, 85% of households owned microwaves compared to 34% in 1986). Over this ten year period, average expenditures on communication services increased for telephone services ($707 up from $594), cablevision services ($254 up from $141), and other communication services ($138 up from $53).

  Source: Statistics Canada

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Infoline Report: Self-Employment in British Columbia: 1976-1997

Contact: Stephen Pal (CEISS) / (250) 413-4417
BC Centre for Education Information Standards and Services

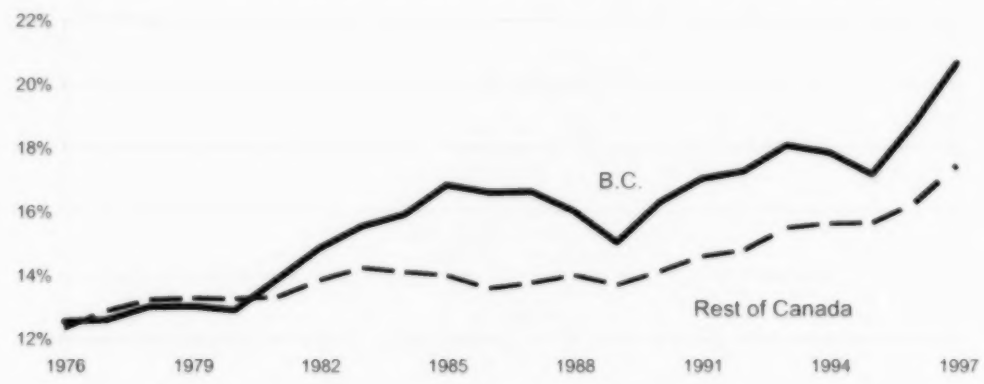
Originally published in August 1998 issue of *Labour Force Statistics*. Annual subscription is $60 + GST

Introduction . . . Statistics Canada's Labour Force Survey (LFS) distinguishes two broad categories of workers; those who work for others (employees), and those who work for themselves (self-employed). The self-employed include owners of incorporated and unincorporated businesses, either with or without paid help.

The LFS has been consistently collecting information on class of worker for the last 20 years. Over the years, the make-up of overall employment has been changing, with self-employment growing faster than employees in B.C. and Canada. In this article, some of the trends in self-employment (broken down by industry, province and gender) are examined, with a focus on the current situation in British Columbia.

Increase in self-employment since 1976 . . . Figure 1 illustrates self-employment as a percentage of total employment (self-employment rate) for B.C. and Canada between 1976 and 1997. In B.C., the self-employment rate has almost doubled, increasing from just over 12 per cent to almost 21 per cent. In contrast, the proportion of self-employed individuals in the rest of Canada has increased less dramatically, up from 12 per cent to 17 per cent. Factors driving these increases in the self-employment rate include a rise in entrepreneurship and growth in small business, changes in the industrial makeup of the economy, and greater use of contracting out work by organizations.

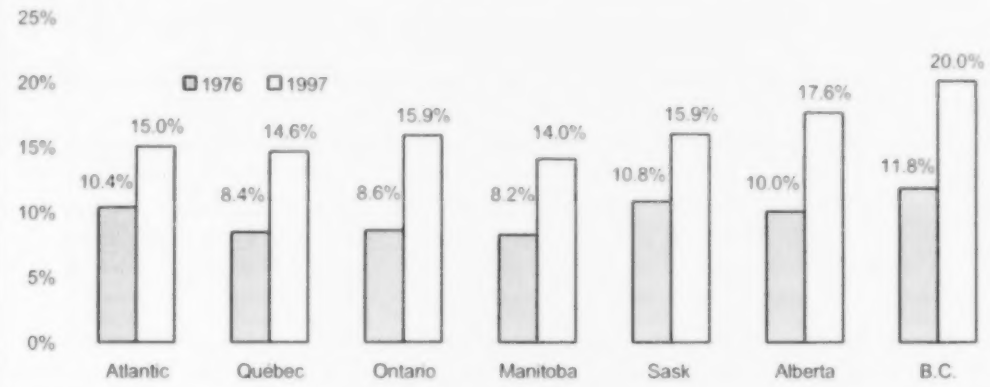
Figure 1: Self-Employment Rate, B.C. and the Rest of Canada, 1976 to 1997



B.C. non-farm self-employment rate highest of all provinces . . . Since self-employment in agriculture is extremely high, and to control for the relative differences in agricultural employment between provinces, Figure 2 displays self-employment rates with agriculture excluded. In 1997, the non-farm self-employment rate for B.C. workers was 20.0 per cent. The province with the second highest non-farm self-employment rate was Alberta, at 17.6 per cent. The province with the lowest rate was Manitoba, with only 14.0 per cent of non-agricultural workers being self-employed. When agriculture is included, overall self-employment rates in Saskatchewan and Alberta are above the rate in B.C.

In 1976, B.C. also had the highest non-farm self-employment rate of all provinces, at 11.8 per cent. Between 1976 and 1997, the non-farm self-employment rate in B.C. experienced the largest increase of all provinces, up by 8.2 percentage points, followed by Alberta with a rise of 7.6 percentage points.

Figure 2: Non-Agricultural Self-Employment Rate B.C. and Provinces, 1976 and 1997



Self-employment rate varies by industry . . . Breaking B.C.'s self-employment rate down by industry provides some interesting results. Of all industries, agriculture had the highest self-employment rate in B.C. in 1997, at almost 55 per cent, in contrast to rates of zero in utilities and public administration. In aggregate, the self-employment rate in the goods-producing industries (23.9 per cent) were higher than in the service-producing industries (19.6 per cent).

Self-employment rate lower for women than men . . . In 1997, the all-industry self-employment rate for women was 16.4 per cent, below the overall self-employment rate of 20.6 per cent. However, there were some industries in which women had a higher rate than men, including manufacturing and educational services.

Self-employment concentrated in construction and service industries . . . In terms of the distribution of B.C.'s self-employed individuals by industry, over 70 per cent were in the service-producing industries in 1997. Self-employment was highly concentrated in four industries, with almost two-thirds of all self-employed persons being in construction, trade, business services, and other services.

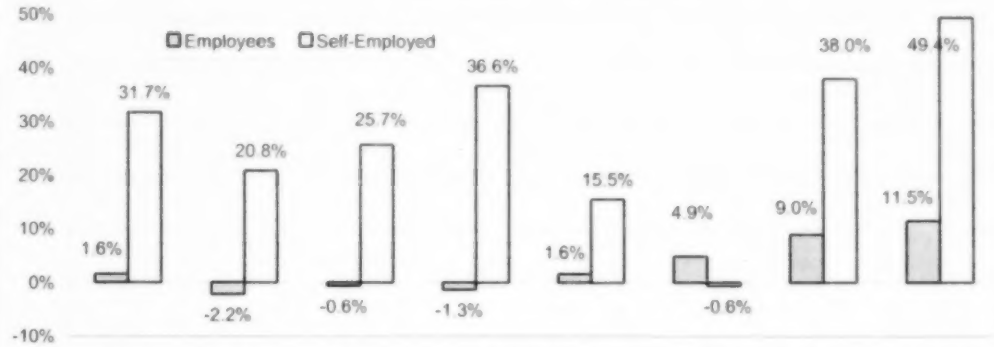
Figure 3: Self-Employment By Industry in B.C., 1997

	Self-employment rate - total	Self-employment rate - women	Proportion of all self-employment
Goods-producing	**23.9**	**22.6**	**27.1**
Agriculture	54.4	50.8	4.8
Other primary	24.2	27.8	3.5
Manufacturing	7.9	8.5	4.2
Construction	43.3	43.0	14.7
Utilities	0.0	0.0	0.0
Service-producing	**19.6**	**15.7**	**72.9**
Transport, storage, & communication	14.4	7.1	5.1
Retail and Wholesale Trade	20.5	17.6	17.5
Finance, insurance. & real estate	23.4	12.8	6.5
Business services	38.7	30.2	14.1
Educational services	5.4	6.4	1.8
Health & Social services	13.1	9.2	6.7
Accommodation & food services	10.5	8.7	4.1
Other services	44.0	42.0	17.1
Public Administration	0.0	0.0	0.0
Total	**20.6**	**16.4**	**100.0**

Employment growth highest in B.C. . . .

Figure 4 displays employment growth during the 1990's for employees and self-employed individuals. Between 1990 and 1997, B.C. experienced the highest growth of all the provinces for both categories, with an increase of 49.4 per cent for self-employed individuals and 11.5 per cent for employees. During this time period, national average growth was substantially lower, at 31.7 per cent for self-employment and only 1.6 per cent for employees. With the exception of Saskatchewan, self-employment growth between 1990 and 1997 was greater than employee growth for all provinces.

Figure 4: Growth in Employment between 1990 and 1997
Canada and the Provinces



Own account workers fastest growing . . .

Own account workers are those self-employed with no employees of their own. In B.C. in 1997, over half of the self-employed were unincorporated own account workers. In terms of employment growth, incorporated own account workers experienced the highest percentage growth since 1976. However, in terms of absolute numbers, unincorporated own account workers experienced the biggest net change in employment during the 1990's, with employment numbers rising by 86,500 between 1990 and 1997.

For the group of self-employed workers with paid help, employment growth slowed down in the 1990's, after growing quite steadily prior to 1990. Between 1990 and 1997, there was a net increase of 20,900 incorporated workers with paid help. In contrast, there was a net decline of 4,000 unincorporated workers with paid help over the same period.

Figure 5: B.C. Self-Employment by Class

	Distribution 1997	Growth 1976-1990	Growth 1990-1997	Net Change 1990-1997
No Paid Help (own account)				
Unincorporated	52%	89%	80%	86,500
Incorporated	11%	219%	95%	20,400
With Paid Help				
Unincorporated	11%	63%	-9%	-4,000
Incorporated	26%	100%	28%	20,900
Total	**100%**	**93%**	**50%**	**123,800**

Infoline

October 16, 1998

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BC at a glance . . .

POPULATION (thousands)	Jul 1/98	% change on one year ago
BC	4,014.3	1.3
Canada	30,300.4	1.0
GDP and INCOME		% change on
(BC - at market prices)	1997	one year ago
Gross Domestic Product (GDP) *($ millions)*	109,347	3.3
GDP *($ 1992 millions)*	98,201	2.2
GDP *($ 1992 per Capita)*	24,775	0.1
Personal Disposable Income *($ 1992 per Capita)*	16,340	-2.3
TRADE ($ millions)		
Manufacturing Shipments (seas. adj.) Jul	2,758	-5.8
Merchandise Exports (raw) Jul	2,149	-7.7
Retail Sales (seasonally adjusted) Jul	2,794	0.5
CONSUMER PRICE INDEX		% change on
(all items - 1992=100)	Aug '98	one year ago
BC	110.4	0.4
Canada	108.8	0.8
LABOUR FORCE (thousands)		% change on
(seasonally adjusted)	Sep '98	one year ago
Labour Force - BC	2,044	0.6
Employed - BC	1,875	1.4
Unemployed - BC	169	-7.5
		Sep '97
Unemployment Rate - BC *(percent)*	8.3	9.0
Unemployment Rate - Canada *(percent)*	8.3	9.0
INTEREST RATES (percent)	Oct 14/98	Oct 15/97
Prime Business Rate	7.25	5.25
Conventional Mortgages - 1 year	6.50	5.65
- 5 year	6.75	6.70
US/CANADA EXCHANGE RATE	Oct 14/98	Oct 15/97
(avg. noon spot rate) Cdn $	1.5455	1.3862
US $ *(reciprocal of above rate)*	0.6470	0.7214
AVERAGE WEEKLY EARNINGS		% change on
(industrial aggregate - dollars)	Jul '98	one year ago
BC	623.77	0.9
Canada	610.76	1.7

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Earnings } Statistics Canada

Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics

Released this week by BC STATS

- Labour Force Statistics, September 1998

Next week

- Quarterly Regional Statistics, Third Qtr 1998
- Earnings & Employment Trends, July 1998
- Consumer Price Index, September 1998

BC STATS, Min. of Finance & Corporate Relations, Box 9410 Stn Prov Govt, Victoria, B.C. V8W 9V1
Tel: (250) 387-0327 Fax: (250) 387-0329 Web: http://www.bcstats.gov.bc.ca E-mail: BC.Stats@gems8.gov.bc.ca